
IT Plan – Agency Submitted

471 BANK OF NORTH DAKOTA

Version: 2009-B-01-00471

Project: Infrastructure

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Agency IT Plan Contact Data

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Review of Agency's IT Architecture

BND's service areas utilize multiple applications to perform the business functions of the Bank. The attached listing describes the applications utilized by the BND service areas and includes information concerning the environment required to run each application.

Planned Infrastructure Activities and Changes

The infrastructure activities for BND include the costs necessary to maintain the current systems, applications, and associated hardware. These costs include: hardware and software replacement and upgrades; PC and laptop replacements; information technology related supplies; vulnerability assessments; maintenance agreements for hardware and software; maintenance and upgrades for audio and video systems; data processing and telecommunication items paid to the Information Technology Department (ITD); and disaster recovery agreements and related items.

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1. If applicable, describe the reason for any extraordinary increase or decrease in your infrastructure costs.

IT Equipment under \$5,000 - Increase is related to planned replacements of laptop computers and laserjet printers. IT Communications - Increase is related to BlackBerry installation, hosting, and service fees; desktop messaging installation fees. IT Contract Services and Repairs - Increase is related to implementation of application service providers to provide business solutions; outsourcing of IT security services; disaster recovery contract for check imaging.

2. Total number of desktop computers: 190

Number of desktops for which you are requesting replacement funding: 107

Average replacement cost/desktop: 833

3. Total number of laptop computers: 60

Number of laptops for which you are requesting replacement funding: 34

Average replacement cost/laptop: 2,177

What state planning region are these desktop/laptop computers located?

Region 1	0	2	0	3	0	4	0	5	0	6	0	7	250	8	0
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4. What percentage of these pcs are running the following operating systems:

(total should be equal to 100%)

Open Source OS 0 %

MAC OS 0 %

Windows Vista 0 %

Windows XP 100 %

Other 0 %

5. What additional expenditures are being paid out of non-appropriated funds? 0

Please explain:

IT Asset Management Plan

Hardware

Hardware is obtained when a business need is identified. Hardware is maintained and replaced according to established replacement cycles. These cycles include:

PC – desktop or laptop 4 Year Replacement Cycle

Monitor 4 Year Replacement Cycle

Printer 4 Year Replacement Cycle

Server 3 Year Replacement Cycle

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Audio/Visual Equipment Replace as failed or technology changes

Software

Software is obtained when a business need is identified. Software is retired when technologically obsolete or business needs have changed. Software is upgraded according to the following schedule:

Microsoft Office	Upgrade every other release
Core Business Software	Apply upgrades as released - Details included in IT architecture
Development Software	Apply upgrades as released
Other Software	Apply upgrades as requested or required by external needs

Human Capital

BND's information technology staff includes personnel assigned to development, application support, desktop and network support, and security. Appropriate staffing levels in each of these areas is regularly monitored and adjusted when business needs change or staff vacancies occur. Recruiting to fill vacant positions is performed through job postings as well as postings with the colleges and universities.

Retention of BND information technology staff is vital due to the high level of business knowledge required in order to support the service areas and their applications. Retention is accomplished through use of flexible schedules and an emphasis on continuous training and development. Individual training plans are developed for each of the information technology staff.

Consultants are used to supplement agency staff as well as to provide a skill set not available from internal staff. This includes independent vulnerability assessments, vendor assistance for the support and upgrade of business applications, and software development from the Information Technology Department (ITD).

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	CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT5110 SALARIES - PERMANENT	\$0	\$1,862,578	\$0	\$1,862,578	\$0
IT5131 ADDITIONAL SALARIES - OTHER	\$2,262,942	\$0	\$0	\$0	\$2,700,000
IT5160 FRINGE BENEFITS	\$0	\$601,620	\$0	\$601,620	\$0
IT5310 IT SOFTWARE AND SUPPLIES	\$525,000	\$525,000	\$0	\$525,000	\$600,000
IT5510 IT EQUIPMENT UNDER \$5000	\$250,000	\$350,000	\$0	\$350,000	\$400,000
IT6010 IT DATA PROCESSING	\$3,500,000	\$3,600,000	\$0	\$3,600,000	\$4,000,000
IT6020 IT COMMUNICATIONS	\$465,000	\$550,000	\$0	\$550,000	\$600,000
IT6030 IT CONTRACT SERVICES & REPAIRS	\$1,850,000	\$2,550,000	\$0	\$2,550,000	\$2,700,000
IT6930 IT EQUIPMENT OVER \$5000	\$1,400,000	\$1,200,000	\$0	\$1,200,000	\$1,400,000
Total Budget:	\$10,252,942	\$11,239,198	\$0	\$11,239,198	\$12,400,000
998 BANK OF NORTH DAKOTA	\$10,252,942	\$11,239,198	\$0	\$11,239,198	\$12,400,000
Total Funding:	\$10,252,942	\$11,239,198	\$0	\$11,239,198	\$12,400,000

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Agency Priority - 1

Project Type: Application replacement

Age of Current Application: 15

Project description

The Bank will analyze several options for the replacement of the Student Loan ALS lender mainframe application. These options will include technological solutions as well as other possible business or service arrangements.

Briefly describe the business need or problem driving the proposed project.

The current legacy Lender application provides the following functionality: loan origination, loan disbursement, collections, customer service, electronic reporting, additional reporting functions and loan servicing. The Lender application was implemented in 1993 and has been modified by BND staff to keep the application in compliance with regulatory requirements. The current effort to migrate from the mainframe requires BND to move to a different solution to provide these services.

Describe how the project is consistent with the organizations mission.

The Lender system allows the Bank and Student Loans the ability to offer sound quality financial service to their customers.

Describe the anticipated benefits of the project and who will derive the benefits.

The final determination by the Bank will result in a solution that is less costly than the current legacy application. This will result in increased service levels and continued cost effectiveness for Student Loan customers.

Describe the impact of not implementing the project.

The Lender application is only certified to run on the IBM z-series. Once other agency applications are migrated from the os390, the Bank will be faced with the cost of maintaining the mainframe for this application. The difficulty of maintaining the system also places the Bank at risk of not meeting regulatory changes. Additionally, the vendor of the application can no longer provide support to keep the system functioning.

Identify any risks associated with implementing this project and explain how the risks will be mitigated.

The selection of a replacement to the existing mainframe application must be made by choosing the right solution based on changing business needs and evolving markets. The selection of a replacement for the existing application is partly based on a proper technological solution and partly on matching business needs. The final decision on a solution may not result in a technical deployment.

Describe the additional costs?

The additional cost is for re-allocated staff necessary to complete the project successfully. This number is based on 25% of the project cost as determined using the Total Cost of Project Budgeting guideline developed by the Enterprise Project Management Office.

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Enter any additional costs for the project that are not included in IT Object Codes used in the Project Cost Screen?

Additional Costs? - \$875,000

Optional Project Costs - \$0

Total Project Cost? - \$4,375,000

Tot Proj Costs + Optionals - \$4,375,000

What additional expenditures are being paid out of non-appropriated funds?

N/A

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		CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT7090	SPECIAL LINE OTHER	\$1,300,000	\$3,500,000	\$0	\$3,500,000	\$3,500,000
	Total Budget:	\$1,300,000	\$3,500,000	\$0	\$3,500,000	\$3,500,000
998	BANK OF NORTH DAKOTA	\$1,300,000	\$3,500,000	\$0	\$3,500,000	\$3,500,000
	Total Funding:	\$1,300,000	\$3,500,000	\$0	\$3,500,000	\$3,500,000